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UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF NORTH CAROLINA RALEIGH DIVISION

PEGGY B. DEANS, CLERK U.S. BANKRUPTCY COURT EASTERN DISTRICT OF N.C.

IN RE: INTERNATIONAL HERITAGE, INC.) CASE NO.: 98-02675-5-ATS)
Address: 2626 Glenwood Avenue, #200 Raleigh, NC 27608) CHAPTER 7)
TAX ID# 56-1921093)
Debtor.)

ORDER AUTHORIZING EMPLOYMENT OF ATTORNEY NUNC PRO TUNC

THIS CAUSE being heard by the undersigned Bankruptcy Judge for the United States Bankruptcy Court for the Eastern District of North Carolina upon the application of the trustee for authority to employ an attorney; and

- (1) It appearing to the court that the determination of this matter is within the jurisdiction of the bankruptcy court pursuant to 28 U.S.C. 1334, 151 and 157, and is a core proceeding pursuant to 28 U.S.C. 157; and
- (2) It further appearing that the Trustee intends to engage special counsel to litigate §§ 547 and 548 avoidance actions, to litigate possible claims against Executive Risk Speciality Insurance Company, TIG Insurance Company and 20/21 Software, Inc., to litigate International Heritage, Inc. v. Dobbins, et al., 97-CVS-07577 pending in Wake County Court, to litigate the prepetition causes of action listed on Exhibit B(2) of the debtor's

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schedules, and to litigate the collection of receivables listed on Exhibit B(15) of the schedules; and

(3) It further appearing to the court that it is necessary for the trustee to employ an attorney for the reasons set forth in the trustee's application, that the proposed attorney does not hold or represent any interest adverse to the estate and is a disinterested person as contemplated under Section 327(a) of the Bankruptcy Code, and that the employment of Holmes P. Harden as attorney for the estate in his own behalf as trustee would be in the best interest of the estate; now therefore

IT IS ORDERED, ADJUDGED AND DECREED that the trustee is authorized to employ and retain an attorney for the bankruptcy estate, and that the trustee is authorized to employ Holmes P. Harden as attorney for the trustee to represent the Trustee in all matters except those described in Paragraph 2 above, upon the basis set forth in the Trustee's application.

Date: JAN 2 2 1994 Nunc Pro Tune to November 25, 1998.

United States Bankruptcy Judge